311
361 rice land. Water-ways, however, were public areas, and any
[505] convenient wide spot might be selected as a private garden. It was marked with stakes, and was apparently not disturbed by others.

262 Mushroom culture as a side line activity of rice far-
344 mers developed during the period when this study was in
433 progress. After threshing, in early 1954, two of eleven families that participated in the dietary study started raising mushrooms. Although most of these were sold, both families reported frequent inclusion of mushrooms in the family diet. One informant commented that families that planted mushrooms also ate them almost every day, and said "Adults complain that it is a wearisome food but children still like it." Mushrooms were used fried, with pork, in soup or in curry.

[434] As with tilapia, mushroom culture appears to have been undertaken primarily to increase cash income, and was abandoned when it was no longer profitable financially (see Appendix A, pp. 101-102).

Food Purchased and Cash Expenditures for Food

262 Relatively few foods were purchased, but some of these,
438 such as onion, garlic, limes, tamarind, coconut and palm sugar were so frequently used that without cash to buy them, villagers would have considered their diet monotonous. Many had their own supply of fresh and dried chilies, fishsoy, and shrimp paste, which might, however, be inadequate for their needs. Other foods not commonly produced in Bang Chan were purchased for variety.

262 Estimates of mean annual consumption and cost of pur-
435 chased foods, for 106 households in Bang Chan are shown in
128 Table 1.

262 The list of purchased foods presented by Janlekha (1955)
432 was compiled after preliminary interviews with a number of household heads. It includes the principal food items which were commonly purchased in Bang Chan. In addition to these, the affluent household studied by Sharp et al. (1953) spent appreciable amounts for vegetables (listed as cucumbers, lettuce, cabbage, etc.) and fruit (pineapple, mangoes, melons, etc.) and small amounts for peanuts, soy sauce and vinegar sauce. Eggplant and white radish were bought by more than half the families that participated in the dietary study, and were used on 11 and 8 survey days respectively. Other vegetables and fruits, bought by one or two of the 11 families, and used on not more than 3 of the 44 survey days were: mung beans, snap beans, bean sprouts, Chinese celery, cucumber, leeks, lettuce, mushrooms, sugar cane, sweet potato, taro, turmeric, (2)ma-(1)faj or rambai, Thai nutmeg, orange, pineapple, rambutan, sandorica and watermelon. Salted and pickled white radish and pickled bamboo shoots were the only

[Text continues on page 23--Analyst]

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Table 1. Mean Annual Consumption and Cost of Purchased Foods, for 106 Households[1] in Bang Chan, 1953 (Adapted from Janlekha, 1955, p. 316)

Foods purchased	Estimated Amount	Estimated Cost baht[2]
Raw fish	16.6 kg.	83
Fish sauce (fishsoy)	36 bottles	54
Shrimp paste	6 kg.	27
Pork and beef	8.4 kg.	84
Vegetables	1 kg.	1
Onion[3]	11.3 kg.	34
Garlic[3]	11.3 kg.	34
Coconut[4]	196 fruit	292
Chilies, dried	7.6 kg.	53
Limes[4]	80 fruit	16
Tamarind[4]	6.3 kg.	19
Palm sugar[3]	71.4 kg.	152
White sugar	4 kg.	16
Total		865
Average cost per day		2.53
Average cash expenditure per person per day for food		0.44

1. Average size, 5.7 persons.

2. At the time of the study, one baht equaled about 5 cents.

3. Not produced in Bang Chan (Sharp et al., 1953, pp. 295 and 299).

4. Little production in Bang Chan.

262 preserved vegetables which were purchased and used frequently
432 by families participating in the dietary study.

262 435 The food costs reported by Janlekha (1955) were estimates recorded from memory at relatively frequent intervals. The average per capita cost, 0.44 baht per day, was similar to the average cash expenditure of 0.47 baht per person among 11 families participating in the dietary study (based on the average of 4 survey days for each family). Thus, in Bang Chan, cash expenditure for food appeared to be relatively small, i.e. farm families produced a large share of all food consumed. If money were not available to buy, they would still have enough to eat, but it might lack variety. One informant said, for instance, that he usually bought a coconut every other day, but during October, when cash was short, he bought none. Janlekha (1955) considered the estimates obtained for expenditures for fruits and vegetables less reliable than for items purchased more regularly.

262 511 In Table 2, the percentage distribution of food

Table 2. Division of Food Expenditures by Food Groups, for Eleven Families that Participated in the Dietary Study, 1953-54

	A 6 families[1] %	B 5 families[1] %
Animal foods	30.8	39.3
Fruits[2]	30.3	26.3
Vegetables[3]	28.7	17.0
Fats and Oils	3.3	8.4
Sugar	3.6	3.5
Pulses, nuts	--[4]	0.9
Spices, etc.	2.7	--[4]
Miscellaneous	0.7	4.5

1. Based on 4 days per family.

2. Primarily coconut.

3. Chiefly non-leafy

4. The dash indicates no purchase or a value of less than 0.1%.

252 Another, who had time during Round IV to prepare food twice a
262 day, preferred to prepare more in the morning when she expected
264 to offer food to her son who had just been ordained. In two
518 instances an evening meal was not prepared because the father
[525] and mother had been invited to a feast in connection with an ordination ceremony, on one occasion a mother did not prepare food because she was gambling. In all of these cases, the evening meal at home consisted of leftover rice and other foods prepared earlier. The housewife in Household 215 sometimes received cooked foods from visitors in return for her services as medium, and these were used, together with leftover foods, for the evening meal. The meal patterns of the two groups of families did not appear to differ greatly.

252 Time for Meal Preparation and Number of Dishes Prepared. - In general, the time for meal preparation varied with the number and type of "with-rice" dishes prepared. The "hot" dishes usually required more preparation time than the mild ones, because of the time required to pound spices, and to cut up ingredients. Once-a-day food preparation reduced the time required for cooking. More time was apt to be spent on food preparation when the housewife was least busy with farm work or other work outside the home. Some of the families visited early in Round I had not begun heavy farm work, and in some, children, who were less skilled, did the cooking.

262 Cost of Food Purchased. - The lowest cash expenditure
435 for food by any household on a survey day was 0.12 baht, for
511 a family in Group A, and the highest 16.24 bahts, for a household in Group B (Table 14, p. 78). On a per capita basis, however, the mean cash expenditure for food by Group A households, for all survey days, was slightly higher than for households in Group B (Table 8, p. 62), and no evidence was obtained that in general households in one group tended to spend more for food than households in the other. Despite the wide variation in cash expenditures for food on the survey days, the tendency for cash expenditures for food to decrease in both groups of households as the survey year pro-
262 gressed was apparent. Most of the rice was sold at the end
432 of Round III. The cash went for capital investments, not
[221] food, during Round IV. With time to drain ponds and to fish intensively, and with ceremonies to attend, people did not need to buy fish and meat which were relatively expensive.

146 Calorie and Nutrient Value of Foods Eaten. - The
221 seasonal variation in calorie and nutrient intake of the two
[28] groups of families is shown in Table 15. As one would expect, the average calorie intake was higher during Rounds I and III, when relatively heavy farm work associated with planting and harvesting was under way, than during Round II, which was primarily the growing season for rice, or Round IV, when the harvest was in, and the earth was dry so that preparation for the next planting had not yet begun. Greater consumption of rice in Rounds I and III was largely responsible for the

[Text continues on page 81 --- Analyst]

concerning its culture and use. Tilapia culture was learned largely by trial and error, and was considered primarily as a source of extra cash. If it had been regarded also as a means of improving health through increasing the family's food supply, and if the homemaker had been shown how to use this unfamiliar fish in familiar ways, the outcome might have been different. Increased use of fermented fish and of small dried fish which are eaten whole, should be encouraged. So long as the ability of human beings to adapt to such low calcium intakes without harm has not been proved, any feasible means of increasing the calcium content of the diet seems worth trying.

More home consumption of eggs would be desirable, but their ready sale and acceptability for barter may present an obstacle to increased home use. Increased production would probably lead to some increased home use at least at the peak season. Duck eggs which are less often sold, might be stressed both for this reason, and because of their greater size. The idea held by some that eggs are not good for children nor for pregnant women should be countered when possible. Since hard cooked eggs have many ceremonial uses, they might be presented as "strengthening" food. Hard cooked eggs, which could be prepared the night before, would be convenient as breakfast for workers who would otherwise go to the field without food, for lunch to be carried to the field or to school, and for occasions when parents are to be away from home, as at a ceremonial, and should leave food at home for children.

Milk, as canned, dried or malted milk preparations, was considered an appropriate gift for the priests, who are forbidden to eat solid food after the 11 a.m. meal. Some of this may be shared with the temple boys. The respected old ladies and others who stay overnight at the temple on the Buddhist holy day, and who observe the same rules as the priests for this time, also like to drink milk, often with coffee. Perhaps the wat committee could be taught how dried or canned milk should be reconstituted, and could direct that this be done. They could both spend some of the cash offerings for milk and encourage those who buy gifts of food for the priests to include milk among them. People gladly bought food for the priests and would probably accept on the authority of the head priest or respected elders, the idea of buying certain foods of high nutritive value, even though these cost more. If a small group of leaders, such as the wat committee or the hamlet headmen were instructed in the dangers of contaminated water and the values of good food, with the implication that the best available should be offered the priests both daily, and on ceremonial occasions, improved practices might spread to home consumption, since most food is prepared in the home.

The importance of merit making and the relatively large cash expenditures involved in ceremonials, will probably influence acceptance of any improved practices which involve cash outlay. If some leaders were interested in dietary

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In discussing the forces of demand for and supply of land in the few preceding pages, it is not the purpose of the author to quantify these forces and attempt to predict rent or the price paid by the tenant for the control of net income deriving from the use of the productive powers of the soil. Rather, the purpose is to confirm in this specific case Chamberlin's general notion that "the equilibrium of economic forces has been wrongly identified with an equilibrium between demand and supply. The latter is merely a special case of the former. Curves of demand and supply tell nothing, either by themselves or by their intersection, as to what price will be established, until other conditions are known."[14]

Prices of Land

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One of the most significant phenomena during the period covered by this study, from 1948 to 1953, is the rise of prices of land in Bangchan.

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Records of major receipts and expenses of 96 farm operators who have been continuously working on an average area of 3,140 rai, or 47 per cent of the total area worked by Bangchan residents, show that during this six-year period two operators sold two parcels of land and ten operators bought eleven parcels of land. Since none of these involved transaction between one and the other in our sample of 96 operators, it can be said that there was a total of thirteen

14. Chamberlin, op. cit., p. 15.

423 purchases (or sales) of land involving operators in our
432 sample as either sellers or buyers. The price and size as well as the time of sale of each parcel is shown in Table 27. Using the highest of each year as the basis, it is observed that land price in Bangchan has been rising steadily from 350 baht per rai in 1948 to 700 baht in 1949, to 1,100 baht in 1950 and 1951, and then rose skyhigh to 11,000 per rai in 1953. To be sure, this spectacular rise, especially from 1951 to 1953, was largely due to the changing over of former agricultural to residential land. Nevertheless, when residential land is excluded from consideration, it is seen that the average rise in agricultural land prices was 560 per cent during the period from 1948 to 1953 (Table 28).

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Perhaps a case of one large parcel in "Thung Nai Sab" in KY5 may serve to illustrate the way land prices rose in Bangchan during these past few years. The area of this parcel, which was owned by Lady Phung of Bangkok, was 100 rai. Our informant's father, Hajji Sa-ard of Bangchan Mosque, was interested in this parcel of land because it was adjacent to his land which was not far away from his home. In 1946, Lady Phung was willing to sell it at 300 baht per rai, but Sa-ard was reluctant or not quick enough to accept this offer for sale. In 1947, the lady raised her price to 350 baht and Sa-ard was ready to buy. This time it was hesitancy on Phung's part that prevented the proposed purchase from being consumated. In 1948, our

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243 426 432 Differentiation in paddy prices is limited to cases where farmers have received in advance the payment for paddy to be delivered at harvesting time. This is a common practice which is called in Thai "tog khao" (lit., fall rice). Usually, the advance price received by the farmer is about half or not more than three-fifths of what he would normally receive. Considering that cash is usually received about a month or two before the delivery of the paddy, it would seem that tog khao is a kind of loan with as high a rate of interest as from 25 to 50 per cent per month.

243 426 465 A similar practice is adopted with respect to advanced payment for piecework, where pieceworkers are committed to uproot, transplant, or harvest at about half of the prevailing rates. This is called tog raeng (lit., fall labor).

243 128 427 Tables 24 and 25, in the section on land tenure of Chapter III, show a wide range of rental rates of rice lands which have not demonstrated any marked difference in crop producing ability.

Rates of interest in Bangchan vary greatly from 0 to 10 per cent per month. This topic will be discussed more fully in later sections of this chapter.

243 434 556 The important point that should be observed in connection with these differentials in paddy prices, rates of interest, rentals, and wage is that it is the less affluent farmers who usually bear the burden of higher costs due to these practices. Thus, these differentiations serve only to widen the gap between poor and well-to-do farmers.

#128 511 crop year. Except for a few exceptional cases, no new item appeared during the few months that lapsed because rice farmers customarily make their major purchases during the dry season following harvesting time. Special expenses of the 96 continuing families during the period from March, 1948 to February, 1953 were shown in Table 57.

511 Some explanations are necessary for Table 57. In the first place, whereas ordinary household expenses are estimates based on experience of farm operators, these special expenses are actual amounts spent during the specified period of five years. Most of the expenses on land [432] purchases were down payments and subsequent partial payments. Of the four families reporting purchases of household equipment, three bought guns and one bought a sewing machine. [757] All major repairs were for dwellings. The major medical [755] expenses did not include small amounts of money regularly spent on drugs for headache and stomachache or even on delivery of babies which was done by traditional midwives whose fees were nominal. In fact, there were only three cases of major medical expenses. The largest one included [525] Bangkok hospital bills amounting to 14,000 baht. The 36,190 [484] baht of odd expenses included 3,000 baht on gambling(only [691] two operators reported expenses on this item, others admitted win and losses but did not give the amounts), 2,000 baht on purchases of government lotteries which are issued once a week and also on several other occasions, 500 baht on legal prosecution, 300 baht on reward for the

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434 the loans previously extended to them. Among the five operators reporting sales of farm equipment, one sold his part of the joint ownership of an engine in order to buy a new one for his own, three sold their old buffaloes and bought younger ones, and one -- the inventor of the propeller windmill mentioned earlier in this dissertation -- sold windmills and other farm implements he made for sale.

434 The average amount of money received from loan set-
426 tlement during the past five years of 1,700 baht appeared
• 432 to be too small considering that the amount of loans ex-
511 tended by the sample-families during the period was as high as 51,630 baht and that the ability of these sample-families to settle loans extended to them was 101,530 baht out of a total of 141,100 baht. An explanation for this lies in switching of debt responsibility. At least one case was known where an operator, who was in debt to a fellow farm operator, sold a parcel of land to a third party at 11,000 baht. This buyer, apparently not having enough cash, arranged that he would assume responsibility for the amount of 8,000 baht which the seller of the parcel owed the other farm operator and would pay only the balance of 3,000 baht to the seller in cash. Strictly speaking, the creditor should report that he received a certain amount as loan repayment (actually, 4,000 baht for the principal and 4,000 baht for interest of 25 per cent for four years) and spent this same amount on loan extension. Actually, however, only the seller of the parcel reported that he had sold a

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426 parcel of land and had cleared off his debt. The creditor
432 did not report anything about this deal, for he really did
511 not receive a cent out of the arrangement.

434 Loan obtained is the largest item of special receipts
426 involving 29 farm operators and 141,100 baht. The following
511 were the purposes of the loans sought as given by borrowers: land purchase, 7 cases; buffalo purchase, 3 cases; sponsoring rituals, 3 cases; to partially defray ordinary household expenses which exceeded cash incomes especially in years of poor crop, 16 cases; and to cover major medical expenses, 2 cases (two operators listed two combined purposes of the loan, hence the total becomes 31 instead of 29 if there is only one purpose for each case).

128 Net Accumulation of Assets

434 Figures of net accumulation of assets within a certain
511 period are valuable to the understanding of the economic conditions of farm operators in that they show the economic achievement, or the internal saving, of these operators. In order to obtain exact figures, however, it is necessary that we have complete inventories of the farm families at the beginning as well as the end of the period. Since our data on inventories of the sample-families for 1948 and 1953 are incomplete, especially we are totally unaware of the quantitative debt situation in 1948, we cannot use the simple method of subtracting the net worth as of February, 1953 from that as of March, 1948 to determine net accumulation

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The only livestock kept on rice farms other than buffalo, which were included under consideration of farm equipment, are chickens and ducks, which are raised "naturally." It was earlier mentioned that the size of the flock was more or less constant. Livestock, therefore, did not figure in significant inventory changes, and can also be left out.

*[243]

The only item of supplies on rice farms is paddy stock. This is used up and sold out each year. For more or less the same size of farm, and spreading over a series of five years, a difference in the average amount of paddy stock at about the same time of the year in 1948 and in 1953 would not figure significantly in inventory change.

It was also already mentioned that rice farmers did not want to keep cash at their homes for fear of robbery, and that any person receiving a large amount of cash quickly passed the money on to others. We can therefore assume that the amount of cash on hand at the same time of the year does not vary much. Cash, then, may also be left out of consideration.

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Of the items of assets enumerated above, there are now to be considered only land, household equipment, gold and accounts receivable (payable). In all purchases of land, gold, and household equipment, only the cash paid was recorded and considered as assets accumulated. For example, when an operator purchased a parcel of land at 7,000 baht and paid the down payment of 1,000 baht, only the 1,000 baht

434 was considered as spent in land purchase. If, however,
452 he made another partial payment of 2,000 baht during the
511 period covered by the study, a total of 3,000 baht was considered. Since purchases of gold and household equipment are normally made with cash, a total of cash spent on these three items (land, household equipment and gold) would seem to fairly well indicate the extent of internal saving of
434 each family. The assumption here is that one would not
426 borrow money to buy gold or a gun. With this correction
511 the figure remaining will represent a change in net assets, if we can assume no other changes in the debt situation. For those who bought these assets, it is very unlikely that any increase in outside debt occurred. The reason for this belief lies in interest rate differences: any person with some cash (which may be borrowed at low rate of interest in case he was about to buy land) would rather settle his high interest bearing debts first before buying household equipment or gold or making down payment for land. For those who did not buy these assets, some increase in debt for consumption purposes may have occurred. Both groups may have decreased debts during this period. The most likely assumption is that those buying land experienced a net decrease in debts other than those incurred in buying land, while those not buying such assets experienced a net increase in debts. The balance was probably one of some
[454] increase in debt in the village. Therefore, although these figures for net accumulation of assets provide a fair

*243 perfectly true especially among the under-sized farms in
178 Bangchan, there is still to be explained why more affluent
426 farm operators are also continually in debt. It has been
43 observed that when people come into contact with superior goods or superior patterns of consumption, with new articles or new ways of meeting old wants, they are apt to feel after a while a certain restlessness and dissatisfaction. Their knowledge is extended, their imagination stimulated; new desires are aroused, the propensity to consume is shifted upward. This principle according to which individual consumption functions are interrelated was propounded by Duesenberry, who calls it the "demonstration effect."[10] When the list of new items of consumption is checked, it appears that this principle of demonstration effect has demonstrated itself very clearly in Bangchan.

426 Table 63 shows that in the majority of cases credit
• 432 purchases bear an interest of 50 per cent per season, ranging
*[128] from 0 to 67 per cent. Information from sources other than our sample farm operators reveals that two methods of interest charging were practiced by Bangchan storekeepers and peddlers. One method was to charge 40 per cent interest on credit purchasesmade during March - May, 30 per cent during June - the first half of November, and no interest on purchases made in the second half of November and after; all these rates were charged on the assumption that accounts would

10. This is about the receipt from 8.4 rai in 1953.

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426 be settled at harvesting time in December or January. If
• 432 buyers failed to settle their accounts at harvesting time, a flat rate of interest of 5 per cent per month would be charged on the total amount (principal plus interest) until the whole debt was settled.

Another method was more simple: 50 per cent interest was charged to the amount purchased regardless of the time of purchase. The only exception was that no interest was charged on purchases made after the first half of November. Here, again, the assumption was that accounts would be settled at harvesting time. In case buyers failed to settle their accounts at the specified time, the same rate of interest of 5 per cent per month was charged on the total as in the case of the first method.

Our records show that there were nine among our sample-operators who failed to clear their credit purchase accounts at the harvesting time of the 1951-52 crop. These accounts, principal as well as interest, were considered as loans with interest rate of 5 per cent per month or 60 per cent per year payable at the harvesting time of the next crop, that is the 1952-53 crop. The shifting of purchase accounts into loans was done in order to simplify bookkeeping work on the part of both debtor and creditor, for these delinquent customers were likely to start their credit purchases again in order to get by until the next harvest. The total account of these nine operators was 19,550 baht, averaging 2,172 baht per case. This appears

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426 in Table 64 under the item of loans with 60 per cent interest.
a 432 It is seen that these operators would have to pay an average of 1,303 baht as annual interest for this account alone. This explains why it was claimed by the villagers themselves that "those who cannot clear this kind of debts are sure dead." One way to avoid this adversity was to seek a long-term loan at the ordinary rate of interest of two per cent per month (Table 64) to replace the high interest loan created by credit purchases. In the previous section on special receipts, it was mentioned that 16 of a total of 29 farm operators in our sample who had sought loans during the past five years said that the loans were needed to defray ordinary household expenses. Obviously, the nine operators had tried to get loans with lower rates of interest to settle their accounts with the storekeepers but they could not get any.

Table 60 shows that of a total outstanding debt of 194,170 baht, more than three-fourths was in the form of loans and less than one-fourth was in the form of credit purchases. Although the majority of cases of aquisition of loans were found to have as their purpose the clearing of higher interest bearing debts, quantitatively speaking each of these was a small loan. Most other loans were sought for land purchases and buffalo purchases. Although these latter were fewer in number, they were larger in amount. It may then be said that a major portion of loan monies were sought for investment or productive purposes while

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426 credit purchases were almost entirely for consumption
• 432 purposes. The distinction can then be drawn that whereas credit purchases with high rates of interest indicate a shortage of cash due primarily to poverty, loans with lower interest rates do not necessarily serve as such an indicator. Thus, any survey bringing out only the total amount of debts does not shed as much light on the economic situation of the area as it would if the debts are itemized into loans and credit purchases.

Another important point is that farmers tended to clear off their credit purchase accounts the moment they were in a position to do so because they did not want to bear the burden of a very high rate of interest. Even in cases where they had a more pressing need for the use of the cash in hand during harvesting time, their creditors would be around to demand the settlement of debts. To these creditors, a relatively high return of five per cent per month was no longer a good business, for it is obvious that those farmers who would not settle their high interest bearing accounts during harvesting time must certainly be hard up and hence a poor risk. Besides, it will take another full year to collect the debts if they could at all. As a result, most of credit purchase accounts were usually cleared in Januaryof each year when farmers started to sell their early varieties of rice. It is seen, then, that for each year the total amount of credit purchase accounts was highest in December and lowest by the end of January, if not nil.

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426 Thus, figures of total debts alone are almost meaningless
• 432 unless they are itemized and the date when such accounts
+128 are outstanding is specified.

*128 Cash Situation and Role of Paddy
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It is not the purpose of this study to quantify the cash situation in the village. Even mere estimation would already be too ambitious a task for a study of this nature. We propose, therefore, to give only an outline of the cash situation with the hope that it may serve as background information for further research along this line.

434 1. Extent of money in circulation

a. Incoming

Village net exportable rice: Total crop -- seeds (1 1/2 tang per rai) -- amount consumed by the family (30 tang per man-unit) -- feed or amount consumed by poultry (4 tang per chicken-unit: rooster, 1 unit; layer, 1 unit; chic, 1/4 unit; duck, 1 unit).

Village net exportable poultry products: Total egg production -- amount locally consumed, and total young roosters (7 months old) -- amount saved for breeding purposes.

Money regularly earned from outside sources: wages and salaries (teachers, headmen, janitors, workers on highways, and other workers drawing pay from outside sources); rentals (paid to village residents owning lands in other villages); remittances from outside; dividends if any.

Exportation of other products: mushroom, lotus.

Loans obtained outside the village.

Settlement of loans extended to outsiders (very limited, if any at all).

Sales of lands, gold and jewelries, capital goods to outsiders.

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*128 This was one of the easiest jobs of the whole study.
433 There were few cases where we did find anybody at home
434 and there were many more where only young children
[574] were seen. Since a Thai farm home is considered an open house to fellow villagers, we simply took liberty of walking right through and made an inspection by ourselves. Thus in a period of less than a week we were able to secure the figures of paddy stock on hand of every single operator in the sample.

The amount of paddy stock alone simply indicates but not represents sale in the second period, for a certain portion must be saved for seeds, consumption and feed. It is rather simple, however, to calculate the amount saved, for we were already in possession of work areas from which the amount of seeds may be estimated and we knew the size of the family (in terms of both actual number and consuming units) from which consumption may be figured.

*243
• 432 In this second period, sale was made when the farmer thought the price was high enough. Usually,
434 the prices of paddy were about 15 - 30 per cent higher during this period than in the first period when supply was high. The rate of shrinkage should be taken into consideration, however, for prices are expressed in volume. It is rather unfortunate that we do not have any official record for this vital rate of shrinkage. In our daily log, however, the following testimony appears:

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Farmer A: "I put my paddy in the warehouse in the first half of the second lunar month (December 17-31, 1952). In the second half of the fourth lunar month (March 1-15, 1953) I sold it (and thus measured it ag in). I found that within these two and a half months of every 100 tang only 87 tang remained."

"Judging from experience, paddy starts decreasing its size and weight through the process of evaporation since the time of harvesting, and it is not before July that it becomes dry enough to retain its size and weight thereafter."

Farmer B: "Is it not possible that your 13 per cent loss was due to the chickens?"

Farmer A: "No. During that time (December-March) the chickens were well fed. There was a lot of paddy scattering in the home yard. They would not bother going up into the warehouse (mat bins)."

C (of Cornell group): "Lazy chickens might feed right in the mat bins with plenty of paddy."

Farmer A: "I don't think so. Lazy chickens would not take the trouble to fly. They'd rather prod around the home yard."

Another reason for sale during this second period, in addition to good prices, was a prospect of good investment, mostly loans, mortgages, or land purchases.

• 432 426 It has been observed that most business transactions were done on credit. When the farmer went to town to receive payment for his paddy from the rice dealers, he would at the same time settle his accounts with the lumber yard and several dry-goods stores. So actually in many cases cash was not brought into the village except in limited amounts.

432 [674] People do not like to carry a large amount of cash around in the village for inherent fear of robbery which rarely happens. Chinese rice dealers prefer to pay for the paddy they bought at their own home. If sellers insist that the money should be brought to them in the village, the dealers will break the total of say 5,000 baht into one or two thousand baht at each of three or four payments.

Villagers also do not like to keep a large amount of cash at home. In case the payment for paddy sold is to be made at the farmer's home, he would arrange for borrowers to come to his home at the same time so that the money will be immediately passed on to the others, thus avoiding risk involved in keeping cash. One of our sample operators said that he arranged a few years ago that a large sum of 10,000 baht be paid at his home so that he might pass the whole amount immediately to the owner of a parcel of land he agreed to buy. Everybody in his household was frantic when the money was received from the Chinese dealer but the

• 432 seller of the land did not show up until the next morning. Recruit had to be made for guns and men to guard the money for that whole long night.

3. Scarcity of money

243 434 Scarcity of money exists in Bangchan because there is, relative to the demand for purchased goods and services, only a small margin between the price received and the cash outlay of producing paddy. Another reason is that most farms are too small, thus yielding small net cash incomes to the majority of farm operators in the village. Small incomes of farm operators who constitute the core of village economy means also small incomes of the rest of the village population whose financial condition directly or indirectly depends on incomes of farm operators.

426 458 Scarcity of money is directly evidenced by shortage of money during theperiod from July to December. It is also indicated by high rates of interest on credit purchases and loans sought in the village.

434 454 The problem of scarcity of money has been rendered more acute by the fact that affluent farmers do not like to keep cash at home or put it in liquid form such as in saving bank in the nearby market town, but prefer to invest it in a more or less non-liquid form such as loans or land purchases. Some of those who had accumulated a large amount also tend to spend it on sponsoring of rituals costing as high as several

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